

**Report Date:** 11 Feb 2014

**Summary Report for Individual Task  
805A-36A-7020  
Conduct Limited Depository Account (LDA) Activities  
Status: Approved**

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DISTRIBUTION RESTRICTION: Approved for public release; distribution is unlimited.

DESTRUCTION NOTICE: None

**Condition:** Within your operating environment, you have a requirement to establish and operate a Limited Depository Account (LDA) in order to obtain local currency, make check payments to local vendors, and further develop the host nation Financial Institution system through use of e-Commerce systems. The intent is to pay local vendor contracts in the host nation currency utilizing the LDA. You have access to: 1. General office supplies. 2. DoD Financial Management Regulation 7000.14- R, Volume 5, Disbursing Policy and Procedures. 3. U.S. Treasury approved foreign Financial Institutions in the AOR. 4. Current theater policy. This task should not be trained in MOPP.

**Standard:** Conduct Limited Depository Account (LDA) activities in sequential order without error.

**Special Condition:** None

**Safety Level:** Low

**MOPP:** Never

Task Statements
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**Cue:** None

**DANGER**

None

**WARNING**

None

**CAUTION**

None

**Remarks:** None

**Notes:** All required references and technical manuals will be provided by the local Command.

### **Performance Steps**

1. Conduct the solicitation of potential Financial Institutions to establish a Limited Depository Account (LDA).

a. Coordinate with the theater Financial Management Support Center (FMSC) Banking Officer to solicit potential Financial Institutions.

(1) Identify Financial Institutions to be solicited to ensure the Financial Institution is on the U.S. Department of State (DoS) list of Financial Institutions recommended to do business with the U.S. Government.

(2) Prepare multiple solicitation letters/packets.

(3) Send out the solicitations.

b. Receive solicitation responses from Financial Institutions and compare solicitations to determine which Financial Institutions can meet the FMSUs e-Commerce and disbursing requirements.

c. Review solicitation responses for adequacy and completeness and consider Financial Institution fees, services provided, correspondent Financial Institution relationship, a member of SWIFT, IBAN, reputation and its likelihood to handle the expected volume of business.

d. Select a suitable Financial Institution from the solicitations and draft your recommendation to the FMSU commander/ Disbursing Officer (DO) for his selection.

2. Request approval of the financial institution as an authorized LDA by submitting the request to the U.S. Treasury Department through the servicing Defense Finance and Accounting Service (DFAS).

3. Establish an LDA.

a. Receive approval to establish the LDA from the U.S. Treasury Department.

b. Establish the LDA in the name of the activity to which the DO is assigned.

c. Submit a letter of authorization to the financial institution, to include:

(1) The name and rank of the DO.

(2) A statement that the DO is authorized to maintain funds outside of the U.S. Treasury.

(3) Certification that the account is to be subject to checks issued by the DO, the DO's successors, and appointed deputies.

(4) A specimen of the DO's official signature.

(5) Certification that the specimen signature is that of the DO if required.

(6) A request that the Financial Institution acknowledges acceptance by endorsement of the letter in triplicate.

d. Ensure the Financial Institution returns two copies of the letter of authorization to the Disbursing Activity.

4. Manage the LDA for disbursing activities.

a. Order check stockage from the Financial Institution where the LDA is maintained.

b. Reconciling periodic statements from Depositary.

(1) Receive account statement from the Financial Institution.

(2) Validate ending balance from the previous month's statement by matching to the starting balance of the current month.

c. Validate all transactions and identify any irregularities.

(1) Ensure all issued checks are accounted for in the proper amount and identify non-negotiated checks as outstanding.

(2) Process a Cash Collection Voucher (DD1131) for interest earned on the account.

(3) Record in the Deployable Disbursing System (DDS) any transactions that reduce accountability.

d. Keep daily the LDA balance as near zero as possible or not to exceed a 5 to 7 day business supply.

(1) Schedule timely cash deliveries with the Financial Institution to meet mission requirements.

(2) Implement counterfeit detection measures for all currency received from the LDA.

5. Closing the LDA.

a. Notify the U.S. Treasury and Theater FMSC Banking Officer of the impending account closure.

b. Terminate the orders authorizing transactions affecting the LDA account.

c. Reconcile to a final statement date all outstanding transactions.

d. Return all currency and coin to the DO's vault.

e. Destroy or cancel any unused checks .

f. Ensure the Statement of Designated Depository account (SF1149) reflects a zero balance and is submitted with the Statement of Accountability (SF 1219) at the next monthly reconciliation.

(Asterisks indicates a leader performance step.)

**Evaluation Guidance:** Score the Soldier GO if all performance measures are passed (P). Score the Soldier NO GO if any performance measure is failed (F). If the Soldier fails any performance measure, show what was done wrong and how to perform it correctly.

**Evaluation Preparation:** This task can be evaluated by use of the performance measures as listed. This method of evaluation is appropriate if the Soldier performs the task on the job. Allow the Soldier to practice until the Soldier feels qualified and prepared for the evaluation. Then have the Soldier perform the task, using the materials listed in the CONDITIONS statement above. Score the Soldier "PASS" or "FAIL" as determined by the performance.

PERFORMANCE MEASURES	GO	NO-GO	N/A
1. Conducted the solicitation of potential Financial Institutions to establish an LDA.			
a. Vetted potential Financial Institutions through the theater Financial Management Support Center (FMSC) Banking Officer.			
(1) Identified Financial Institutions were on the U.S. Department of State (DoS) list of Financial Institutions recommended to do business with the U.S. Government.			
(2) Prepared multiple solicitation letters/packets.			
(3) Sent out solicitations.			
b. Received solicitation responses from Financial Institutions and compared solicitations to determine which Financial Institutions met the FMSUs e-Commerce and disbursing requirements.			
c. Reviewed solicitation responses for adequacy and completeness and considered the Financial Institution fees, services provided, correspondent Financial Institution relationships, SWIFT or IBAN capabilities, reputation and its likelihood to handle the expected volume of business.			
d. Selected the suitable Financial Institution from the solicitations and drafted the recommendations for the FMSU commander/DO.			
2. Requested approval of the Financial Institution as an LDA by submitting the request to the U.S. Treasury Department through the servicing Defense Finance and Accounting Service (DFAS).			
3. Established the LDA.			
a. Received approval from the U.S. Treasury Department.			
b. Established the LDA in the name of the activity to which the DO is assigned.			
c. Submitted a letter of authorization to the Financial Institution that included:			
(1) The name and rank of the DO.			
(2) A statement that the DO is authorized to maintain funds outside of the U.S. Treasury.			
(3) Certification that the account is to be subject to checks issued by the DO, the DO's successors, and appointed deputies.			
(4) A specimen of the DO's official signature.			
(5) Certification that the specimen signature is that of the DO if required.			
(6) A request that the Financial Institution acknowledges acceptance by endorsement of the letter in triplicate.			
d. Ensured the Financial Institution returned two copies of the letter of authorization to the Disbursing Activity.			
4. Managed the LDA for disbursing activities.			
a. Ordered check stockage from the Financial Institution where the LDA is maintained.			
b. Reconciled periodic statements from Depositary.			
(1) Received monthly account statements from the Financial Institution.			
(2) Validated ending balance from the previous month's statement by matching to the starting balance of the current month.			
c. Validated all transactions and identified any irregularities.			
(1) Ensured all issued checks are accounted for in the proper amount and identified any non-negotiated checks were outstanding.			
(2) Processed a Cash Collection Voucher (DD 1131) for interest earned on the account.			
(3) Recorded in DDS any transactions that reduced accountability.			
d. Kept the daily LDA balance near zero or did not to exceed a 5 to 7 day business supply.			
(1) Scheduled timely cash deliveries with the Financial Institution to meet mission requirements.			
(2) Implemented counterfeit detection measures for all currency received from the LDA.			
5. Closed the LDA (if Applicable).			
a. Notified the U.S. Treasury and Theater FMSC Banking Officer of the impending account closure.			

b. Terminated the orders authorizing transactions affecting the LDA account.			
c. Reconciled to a final statement date all outstanding transactions.			
d. Returned all currency and coin to the DO's vault.			
e. Destroyed or canceled any unused checks.			
f. Ensured the Statement of Designated Depository account (SF 1149) reflected a zero balance and was submitted with the Statement of Accountability (SF 1219) as part of the monthly reconciliation.			

**Supporting Reference(s):**

Step Number	Reference ID	Reference Name	Required	Primary
	DODFMR 7000.14-R, VOL 5	Department of Defense Financial Management Regulation, Volume 5, Disbursing Policy and Procedures	Yes	No

**Environment:** Environmental protection is not just the law but the right thing to do. It is a continual process and starts with deliberate planning. Always be alert to ways to protect our environment during training and missions. In doing so, you will contribute to the sustainment of our training resources while protecting people and the environment from harmful effects. Refer to FM 3-34.5 Environmental Considerations and GTA 05-08-002 ENVIRONMENTAL-RELATED RISK ASSESSMENT.

**Safety:** In a training environment, leaders must perform a risk assessment in accordance with FM 5-19, Risk Management. Leaders will complete a DA Form 7566 COMPOSITE RISK MANAGEMENT WORKSHEET during the planning and completion of each task and sub-task by assessing mission, enemy, terrain and weather, troops and support available-time available and civil considerations, (METT-TC). Note: During MOPP training, leaders must ensure personnel are monitored for potential heat injury. Local policies and procedures must be followed during times of increased heat category in order to avoid heat related injury. Consider the MOPP work/rest cycles and water replacement guidelines IAW FM 3-11.4, Multiservice Tactics, Techniques, and Procedures for Nuclear, Biological, and Chemical (NBC) Protection, FM 3-11.5, Multiservice Tactics, Techniques, and Procedures for Chemical, Biological, Radiological, and Nuclear Decontamination.

**Prerequisite Individual Tasks :** None

**Supporting Individual Tasks :**

Task Number	Title	Proponent	Status
805A-36A-6010	Reconcile a Disbursing Officer's Limited Depository Account (LDA)	805A - Financial Management (Individual)	Approved
805A-36A-6112	Manage Cash Operations	805A - Financial Management (Individual)	Approved
805A-36A-6001	Resolve Irregularities in a Disbursing Officer's Account	805A - Financial Management (Individual)	Approved

**Supported Individual Tasks :**

Task Number	Title	Proponent	Status
805A-36A-7019	Conduct Central Funding Activities	805A - Financial Management (Individual)	Approved

**Supported Collective Tasks :**

Task Number	Title	Proponent	Status
14-2-0027	Conduct Internal Control Activities	14 - Finance (Collective)	Analysis
14-2-0029	Sustain Automations Systems	14 - Finance (Collective)	Analysis